BRITISH COLUMBIA

BC STATS Infoline

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highlights

a weekly digest of recently released British Columbia statistics

Labour Force

- **British Columbia's unemployment rate (seasonally adjusted) increased 0.7 percentage points in January to 9.3%** This is the first time since December 1990 when the unemployment in BC was greater than Canada. There were 19,000 fewer people employed in January despite the decline in the labour force of 5,700.

  Quebec recorded the largest decline in employment (-1.4%). Alberta measured the greatest gain in employment—1.5% from the previous month. *Source: Statistics Canada*

Crime among youths

- **In 1996, there were 15,551 youths (aged 12-17) charged under the criminal code in British Columbia**. Twenty percent of those charged were brought before the courts for crimes of violence. Male youths committed three quarters (2,348) of the violent crime in BC, while 822 females were charged. Female youths were responsible for one-third of the number of assault charges.

  Source: Canadian Centre for Justice Statistics

Business

- **BC manufacturers surveyed in January were either pessimistic or unchanged about their prospects in the coming three months**. Forty-one percent said they expected lower production levels, while forty percent replied the production would remain about the same. Half of the manufacturers (49%) expected a decline in new orders and fifteen percent indicated a rise in new order levels.

  Source: Statistics Canada

- **Almost half of Canadian business are aware but are taking no action for the year 2000 computer problem**. Many computers are expected to malfunction at the turn of the century because they store and calculate the calendar year by the last two digits "98" to represent the year "1998". Upon the arrival of 2000, the year-sensitive computations will process the date as 1900. Nine percent of businesses that are unaware of the year 2000 problem were predominately small establishments (between 6 and 50 employees). The majority were located in trade (10%) and primary (8%) sectors.

  Source: Statistics Canada

- **In 1997, business incorporations in British Columbia decreased 1.2% from the previous year**. The Nechako and North Coast regions had the largest decreases at 24.3% and 20.6% respectively. Business formations in the Thompson-Okanagan development region increase by 5.3%, with Okanagan-Similkameen (19.8%) and North Okanagan (17.8%) having the greatest gains.

  Source: BC STATS

Travel

- **Travellers to the Vancouver metropolitan area stay longer and spend more money**. On average, visitors stayed in Vancouver a total of 4.0 nights, this amount was longer than anywhere else in Canada. Toronto (3.2) and Winnipeg (3.2) were tied for second, in longest duration of visits. Tourists to Vancouver also tended have the greatest daily expenditures ($94) of all metropolitan cities. In measuring the success of a tourist destination, the average length of stay and the spending per overnight visit are indicators of a regions at-

Report **Digging up jobs**

Did you know...?
The world population in 1997 was 5.8 billion.
Asia is home to sixty percent of the population, Africa 12.9% , Europe 12.4%
North America 7.9%, South America 5.5% and Oceania 0.4%.

tractiveness, as well as having a variety of things to do.

In 1996, 4.7 million visitors spent at least one night in Vancouver. The proportion of the tourist market coming from other provinces or other countries tends to have a greater multiplier effect on the regional economic impact of tourism. The success of Vancouver in these terms was the greatest of all metropolitan areas in that over three quarters of the visitors came from other provinces, the US, or overseas countries. *Source: Statistics Canada*

- **Of the 1.7 tourists to visit Victoria in 1996, the average length of stay was 2.8 nights with an expenditure of $86 per night**. Almost thirty percent of Canadian visitors travelled to Victoria during the summer months, this is the lowest amount of any metropolitan area. Inversely, the temperate climate encourages Canadians to visit this city year-round.

  The Victoria metropolitan area ranked first for tourist expenditures per total population. In 1996, tourists spent $1,414 per capita. The St. Catherine's-Niagara area was ranked second at $1,320 for per capita tourist expenditures.

  Source: Statistics Canada.

Television Viewing

- **British Columbians spend less time watching television than previous years.** In 1996, an average of 21.0 hours per week was spent watching television, this was 2.4 hours less than the previous year. Senior women spend on average 34.5 hours in front of the TV—the most of any age group. The least amount of viewing (13.9 hours) was done by males, aged 18-24.

  In British Columbia, dramas (26.6%) are the most frequently watched TV program, followed by news and public affairs (22.8%). Seventy percent of the television programs viewed, comes from a different country. Of the Canadian content programs, news accounts for 15.6% and sports for 8.7%.

  Source: Statistics Canada

Food Expenditure

- **British Columbians spent $121.73 per week on food in 1996**. On average, household food expenditures from stores amounted to $82.18 and food purchased from restaurants was $39.55. Meat purchases ($16.19) accounted for the greatest expenditure of food purchased from stores, this was followed by bakery and cereal goods ($13.11).

  British Columbians have the highest weekly food expenditures, 20.1% more than the lowest province—New Brunswick ($97.31). The Canadian average was $112.09. Of the metropolitan areas, Yellowknife had the highest average weekly food budget at $153.39, while Saint John spent the least at $94.10. Vancouver and Victoria households spent $124.77 and $118.82 respectively. In Saint John, households spent only 25.2% of their food expenditure on restaurants as compared to Vancouver at 36.5%, and Victoria at 31.5%.

  Source: Statistics Canada

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February 6, 1998

For data originating from Statistics Canada: data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the publication name or catalogue number.

Infoline Report:

February 6, 1998

Mineral Potential in British Columbia

There's jobs in those hills!

Originally published in 3rd Quarter 1997 issue of *Small Business Quarterly*. An annual subscription is $60 + GST

British Columbia is a mineral rich province and as such the mining and mineral manufacturing industries play a significant role in employing British Columbians. In 1996, in British Columbia, approximately 16,000 persons were directly employed by the mining industry and 20,000 in mineral manufacturing (Source: Statistics Canada, Labour Force Survey).

After years where the mining industry experienced more mine closures than openings, 1997 recorded a significant surge in mining activity. Three new mines were opened and there are currently two other mines under construction, plus an expansion to the Eskay Creek mine near Stewart is also underway.

The Mount Polley copper and gold mine, near Williams Lake in the Cariboo, opened in September and employs 170 people. The Golden Bear heap leach gold mine, west of Dease Lake in the north-west of the province, opened the same month and employs 134 people. The latest mine to open, in October, was the Huckleberry copper mine, south-west of Houston in the Bulkley-Nechako region, which created another 167 full-time jobs.

Currently under construction are the Kemess South and Bralorne mines, as well as the Eskay Creek expansion. The Kemess South copper-gold project will employ 350 workers on a fly-in basis, plus 50 contract employees. It is located in the north-centre of the province and should be active by the summer of 1998. The Bralorne gold mine near Lillooet is set to be reactivated and should provide jobs for over 150 people for its five year life. The Eskay Creek expansion could provide an additional 20 jobs for the mine that currently employs about 150.

Additionally, a review of the *Major Projects Inventory* shows that there are proposals for another eight metal mines and three coal mines, as well as the expansion of an existing coal mine (and at least two more metal mine proposals that missed the deadline for this issue). If all these projects were to proceed, they would create in excess of 2,300 direct jobs in the province. This figure does not even consider the employment that would be generated in the construction of the mines.

There are also positive signs in the mineral manufacturing sector, particularly with regard to the manufacturing of aluminum. The recent agreement with Alcan for compensation for the cancellation of the Kemano completion project could result in the construction of a new smelter at Kitimat, which could result in 2,000 direct and indirect jobs for the community as early as 2003. In addition, the government's "Power for Jobs" initiative has attracted the attention of one major American aluminum producer. Alumax, the world's fifth-largest aluminum manufacturer, will do a feasibility study to determine the viability of building a smelter in British Columbia.

The employment impact of these new projects is larger than just the direct jobs produced. There will also be additional jobs created indirectly for those industries that service the mining and mineral manufacturing sectors. For example, the shipping industry will benefit from the increase in mineral exports, as will other transportation industries. Also, there will be induced employment created through the local purchase of goods and services by the employees of the mines. In other words, these employees will spend their earnings within the community and this will create jobs in the service sector.

According to the Survey of Employment, Payrolls and Hours, or SEPH, in 1996 the average hourly wage in the mining industry was approximately $8.50 higher than the industrial aggregate for the province. Compared to the service producing industries, it was almost $10.50 higher. This indicates that the multiplier effects of an employment increase in the mining industry are much more significant than that of most other industries. Put another way, one new job in mining will create more spin-off jobs than would, say, a new job in the service sector. For this reason, the upsurge in mining employment in British Columbia has the potential to bring in

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significantly more jobs due to indirect and induced multiplier effects. In a study done by the Ministry of Finance and Corporate Relations (Horne, G. and Powell, C., *BC Local Area Economic Dependencies and Impact Ratios*, February 1995), it was estimated that the indirect and induced impact of a job in the mining sector, depending on the region involved, could be as much as another half a job. That is, every two jobs in mining create a job in another sector.

Clearly the mining industry has the potential to be an even more significant source of employment for British Columbia. The government's plans for a new code for mineral exploration that will streamline regulations and is designed specifically for mining (currently mineral exploration practises are subject to the Forest Practices Code) could help attract more interest in investing in British Columbia's mining sector. In some regions of the province, the mining sector has the potential to mitigate some of the job loss that has occurred in other resource-based industries. Mining and mineral manufacturing have the potential to play a larger role in the economy of British Columbia in the coming years and to create a significant amount of new employment.

Subscribe to *Major Projects Inventory*

Need current information on major construction projects in the province? - location, project name, major proponent, profile (including description, architect, regulatory steps), status (proposed, under construction, completed), cost, start and finish dates. Organised by development region. For each region there are a 2-page statistical profile and maps.

The Major Projects Inventory is an invaluable resource that should be of interest to developers, financiers, suppliers of goods and services, retailers, transportation providers, planners and other government officials.

Released quarterly. An annual subscription is $75; a single issue costs $25. Canadian residents add GST. Prepayment required. We accept VISA and MasterCard.

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BC at a glance . . .

POPULATION (thousands)	Oct 1/97	% change on one year ago
BC	3,943.9	1.9
Canada	30,377.8	1.1
GROSS DOMESTIC PRODUCT		% change on
(BC - at market prices - $ millions)	1996	one year ago
Current Dollars	103,631	1.7
Constant (1986) Dollars	74,001	1.0
TRADE ($ millions)		
Manufacturing Shipments (seas. adj.) Nov	2,816	-2.6
Merchandise Exports (raw) Nov	2,055	1.9
Retail Sales (seasonally adjusted) Nov	2,731	0.2
CONSUMER PRICE INDEX		% change on
(all items - 1986=100)	Dec '97	one year ago
BC	139.2	0.4
Canada	137.8	0.7
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Jan '98	one year ago
Labour Force - BC	2,005	0.4
Employed - BC	1,818	-1.1
Unemployed - BC	187	16.7
		Jan '97
Unemployment Rate - BC *(percent)*	9.3	8.0
Unemployment Rate - Canada *(percent)*	8.9	9.7
INTEREST RATES (percent)	Feb 4/98	Feb 5/97
Prime Business Rate	6.50	4.75
Conventional Mortgages - 1 year	6.40	5.20
- 5 year	6.85	7.25
US/CANADA EXCHANGE RATE	Feb 4/98	Feb 5/97
(avg. noon spot rate) Cdn $	1.4471	1.3449
US $ *(reciprocal of above rate)*	0.6910	0.7435
AVERAGE WEEKLY EARNINGS		% change on
(industrial aggregate - dollars)	Nov '97	one year ago
BC	615.25	-0.2
Canada	601.83	1.5

SOURCES:
Gross Domestic Product: Statistics Canada, revised by BC STATS
Population, Trade, Prices, Labour Force, Earnings: Statistics Canada
Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

Released this week by BC STATS
- Exports, November 1997

Next week
- Labour Force Statistics, January 1998
- Tourism Room Revenue, October 1997

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